



City of San Marcos

630 East Hopkins
San Marcos, TX 78666

Meeting Minutes City Council

Tuesday, June 18, 2019

6:00 PM

City Council Chambers

630 E. Hopkins

I. Call To Order

With a quorum present, the regular meeting of the San Marcos City Council was called to order by Mayor Hughson at 6:02 p.m. Tuesday, June 18, 2019 in the City Council Chambers, 630 E. Hopkins, San Marcos, Texas 78666.

II. Roll Call

Present: 7 - Mayor Pro Tem Lisa Prewitt, Council Member Saul Gonzales, Council Member Melissa Derrick, Mayor Jane Hughson, Council Member Ed Mihalkanin, Council Member Joca Marquez and Council Member Mark Rockeymoore

III. Invocation

A moment of silence was observed this evening.

IV. Pledges Of Allegiance - United States And Texas

Council Member Mihalkanin led the assembly in the pledges of allegiance.

V. 30 Minute Citizen Comment Period

Dr. Greg Gilcrease, current owner of the property at the corner of San Antonio Street and Post Office Ally, spoke about how long his family has owned that building. He spoke in favor of Item #24 and stated that the property as he owns it right now will not be improved and feels that after doing his research that it is best for him to sell his property to the developer. He stated that lots of things that are being discussed now have been discussed dating all the way back to the 1970's.

Lisa Marie Coppoletta, introduced her neighbor Mary Renteria and stated that she would like some information regarding the Belvin Street project. She stated that after the mill and overlay project was completed on her street there is now flooding and standing water. She stated that it is more unsafe and that it is holding water 72 hours later. She stated that when the sidewalk is built that it will flood her out and that her trees will die. She stated that Michael Cosentino was provided an abstract to demonstrate the City does not have right of way for a sidewalk. She stated that there are no bulbouts on her street and no street

lights and it will cause a head on collision in the future.

Ryan Patrick Perkins, spoke about the old Telephone Company building that was located at 138 W. San Antonio Street and his concerns about a building that was listed on the National Register of Historic Places to be demolished. He stated that we are losing our heritage and buildings and the reason people want to be here in the first place. What some people call last minute fruitless efforts he calls it efforts. He asked what happened to the request of the Historic Preservation Commission asking Council to consider the ramifications that would occur without a demolition review process before the Historical Resource Study is complete. He stated that 119 W. San Antonio Street has been identified as a high priority resource and he asked the Council to call an emergency meeting and address the issues immediately before we lose any more historical buildings or landmarks. The people gave you a mandate in November, fulfill it.

Kelly Stone, addressed the Council and stated the meeting this afternoon was pageantry. She reviewed the direction that was provided by Council in January stating you voted not to vote, and directed staff to provide more information about cost of removal, cost of restoration and more information about Mill Race. Finally, staff provided you some information and shared a little about what has happened. Staff spent time dealing with Hays County, and working on one proposal and that was to restore the dam. We are ignoring the science and you said yes to this one concept. You voted to remove the dam. She would love to paddle the rapid that would be there once the dam is remove. She would like it to be called Brady Run, Free the river.

Kate Shaw, addressed the Council and seconded the comments of Mr. Perkins. She spoke in support of the Animal Shelter Implementation Plan live outcome. She thanked the Staff and committee for the good job they are doing. She stated there should be a County wide taskforce, the paying entities, to provide guidance and resources for the animal shelter. She asked that the Animal Shelter Advisory Committee Ordinance be amended as the duties and authority are unclear. There are times the Hays County Animal control officers are sometimes blocked from bringing animals to the shelter due to closures. She wants to know when the shelter is limiting intake. We need to look at funding and grants for lifesaving initiatives and spay and neuter initiatives.

Katelynn Germer, Texas State University student, stated she has lived in San Marcos her entire life and speaking in support of agenda item #24. When a developer applies for multi-family housing rather than purpose-built student

housing, they have to jump through significantly less hoops. For this reason, many developers proceed in this manner, but once the building is complete they target college students as their residents. This continues because there is no regulation in the Code which defines what student housing and family housing looks like. For example, in some cities for a building to remain multi-family, less than 50% of their residents can be students. It should not be in the cities hand, nor should it be the cities goal to stop a developer from being transparent and honest about their target audience. In fact, the city can actually use this situation in their favor because they can have more control over who is placed where. Meaning they can more easily recommend and section off where students live versus where families live. The atmosphere created for and by students is much different than the environment that a family raising children likely wishes to live. By reducing the regulations on student housing and making them equal with those places on multi-family housing the city actually gains greater control over the functionality of the city as a whole. She stated that college students are everywhere and they are the life of San Marcos.

Sharri Boyett, addressed the Council regarding the work session presentation and stated that it was wonderful, but feels that 5 years is just too long. The collaboration that is forthcoming is promising, but please expedite the process, the advocates can help expedite things. She stated that there will be future discussions about budgets, but this seems prolonged. We would like to form an empowered taskforce and a create a campaign to educate the community as this is a regional facility. We need to bring the enthusiasm while there is such a heightened community involvement for a no kill shelter. She implored the Council to capitalize and use a campaign and to be more bold.

Rodney Smith, spoke about the 75 Sylvan project (#24 on agenda). He stated he had the opportunity to watch the Planning & Zoning Commission (P&Z) meeting and he was concerned with the mixed messages that were being sent. They state they are about growth and density in the right area and doing things the right way. He stated that Mr. Garber, P&Z Chair, called around to different establishments that student housing is now full and that he washed his hands of it. It was clear in watching the video his mind was already made up. He believes this commission is not a true representation of the City and everyone thinks the same way. There needs to be student representation on this committee. Mr. Garber makes a comment and links it to a decision about a collaboration that was a partnering relationship with your P&Z staff to hit the outcome the city is asking for. He understands there was a project on the other side of town, similar to 75 Sylvan, and the big objection was that codes weren't

met and they didn't do it the right way. This project is being done in the right way. They are meeting code, putting density in growth corridors that matter. Mr. Garber did not show leadership, not transparency, and that is not pro-growth.

Mitchell Classen, resident of San Marcos, stated there are a lot of great things in the City and many great things coming in the future. He spoke as a realtor and how he must abide by a Code of Ethics, which includes no discrimination of anyone. He referenced the Student Housing project that is being proposed on Guadalupe. He receives constant requests from investors or homeowners to rent their property to students. He tells them there is an ordinance in place that prevents them from doing so. There are no more than two unrelated persons that can live together. Just because students are not a protected class, does not mean they shouldn't be treated as such.

Roland Saucedo, stated that he was there on two issues. He stated that what happened on Saturday regarding the demolition of the Old Telephone Company building was a travesty to our community. He stated there was a way to preserve this, as the owner said he was willing to give the building to someone who could move the building, but nothing was done. We are losing everything with all the development, we have to preserve our history. He is tired of seeing his City being torn apart. Council needs to stand up and fight for it, what we hold precious. He stated that City staff has taken on too much. The citizens of Victory Gardens and Camacho Street have been suffering. The City's solution is to put a "road closed" sign. Do we want to let them walk home? Thank you for your time.

Mr. Lumbreras provided a statement regarding the Old Telephone Company Building and spoke about the process and the demolition process. He stated that there needs to be a much more thorough review before a demolition permit is issued. He stated that there will be an item going to the Historic Preservation Commission regarding the demolition permit process. He stated that is the process we will look at and a recommendation will be made by the Historic Preservation Commission. He also addressed the construction on Camacho Street and that they will be getting it addressed as soon as possible.

PRESENTATIONS

1. Receive a presentation from Deliotte and Touche, LLP on the Community Development Block Grant-Disaster Recovery (CDBG-DR) Quarterly Internal Audit Report, and provide direction to Staff.

Stacy Brown, Housing and Community Development Manager, introduced

Kathie Schwerdtfeger and Sarah Lawrence with Deloitte and Touche LLP who presented the Community development Block Grant-Disaster Recovery (CDBG-DR) Quarterly Internal Audit Report.

The City has engaged Deloitte & Touche LLP to conduct internal audits each year of program funds and activities to evaluate compliance with HUD CDBG-DR requirements as well as operating effectiveness of internal controls over program activities and funds.

Their initial observations and recommendations were finalized and released to the City on June 3, 2019. The City has provided a formal management response and corrective action plan to each observation which we believe addresses each issue. In many cases, these changes are already underway by City Departments.

They provided the following recommendations based on their observations: The City should create and integrate a Cost Reasonableness Analysis process into its purchasing activities and should maintain documentation and reconcile files adopting a single source electronic file system as the official file copy of procurement records.

The Finance department should review all prior costs based on labor allocations to determine proper allocation and implement a process to confirm that expense documentation is on file for all applicable transactions.

The City should update its policies to reflect current grant program specific processes and document a mitigating control in instances where multiple approval roles are the same person.

Given the recent staff turnover and new positions in multiple Departments, as well as multiple areas in which grant requirement knowledge could be expanded, they recommend providing program-specific training to those staff members involved in CDBG-DR grant management activities. This training should be mandated for all new personnel and annual updates provided to those working with the program.

CONSENT AGENDA

A motion was made by Council Member Rockeymoore, seconded by Council Member Derrick, to approve the consent agenda, items # 2 - 21. Council Member Mihalkanin abstained from a vote on item #10 to avoid the appearance of impropriety as he is an employee of Texas State. The motion carried by the following vote:

For: 7 - Mayor Pro Tem Prewitt, Council Member Gonzales, Council Member Derrick, Mayor Hughson, Council Member Mihalkanin, Council Member Marquez and Council Member Rockeymoore

Against: 0

2. Consider approval, by motion, of the following meeting Minutes:
 - A) June 4, 2019 Work Session Meeting Minutes
 - B) June 4, 2019 Regular Meeting Minutes
3. Consider approval of Ordinance 2019-17, on the second of two readings, amending Chapter 22, Cemeteries, of the San Marcos City Code by, among other things, eliminating the requirement for payment of a Perpetual Care Fee and dissolving the Perpetual Care Fund, providing for Cemetery Commission approval of monuments over eight feet in height, limiting placements in lots and columbarium niches, and providing for other miscellaneous changes; providing for the repeal of any conflicting provisions; and providing an effective date.
4. Consider approval of Resolution 2019-104R, approving Amendment No. 1 to the Public Transit System Interlocal Agreement between the City and the Capital Area Rural Transportation System for purposes of allowing the City to recover the costs of a City employee assigned exclusively to transit related activities; authorizing the City Manager or his designee to execute the amendment on behalf of the City; and declaring an effective date.
5. Consider approval of Resolution 2019-105R, approving the award of a contract to Nelson/Nygaard Consulting Associates, Inc. for the development of a Five-Year Strategic Master Plan for Transit Services in the amount of \$180,000; authorizing the City Manager or his designee to execute said contract on behalf of the City; and declaring an effective date.
6. Consider approval of Resolution 2019-106R, approving a lease agreement with USA Softball of Texas, District 19 for office space at the Gary Sports Complex for a term of Three Year; authorizing the City Manager to execute said lease; and declaring an effective date.
7. Consider approval of Resolution 2019-107R, approving the award of a construction contract to MAC, Inc. for the Purgatory Creek Trail Improvement Project in the total amount of \$590,296; authorizing the City Manager or his designee to execute the appropriate documents on behalf of the City; and declaring an effective date.
8. Consider approval of Resolution 2019-108R, approving an addendum to the Master Lease-Purchase Financing Agreement with US Bancorp Government Leasing and Finance Inc. that adds a tractor, rotary mower, manure spreader, and tandem roller for the Community Services, Parks and Recreation Division as equipment to be financed under the Agreement in the amount of \$72,742.93, inclusive of interest, for a three-year term; authorizing the City Manager or his designee to execute all appropriate documents associated with this transaction; and declaring an effective date.
9. Consider approval of Resolution 2019-109R, approving the purchase of a tractor for \$30,454 and rotary mower for \$4,985 from Dietz Tractor Company, manure spreader for

\$12,121.50 from ABI Attachments, Inc., and a tandem roller with associated accessories for \$20,829.34 from Kinloch Equipment and Supply, Inc. each for use by the Community Services, Parks and Recreation Division; authorizing the City Manager or his designee to execute all appropriate documents to complete these purchases; and declaring an effective date.

10. Consider approval of Resolution 2019-110R, approving a three-year extension of a Property Use Agreement between the City and Texas State University for the City's use of a parking area downtown and Texas State University's use of a parking area along Charles Austin Drive; authorizing the City Manager to execute this agreement on behalf of the City; and declaring an effective date.
11. Consider approval of Resolution 2019-111R, approving the award of a construction contract (No. 219-236) to Westar Construction, Inc. for services to repair the damaged drainage crossing to the Surface Water Treatment Plant for an amount of \$192,940.50; authorizing the City Manager or his designee to execute the said agreement on behalf of the City and declaring an effective date.
12. Consider approval of Resolution 2019-112R, rejecting the bid received in response to an Invitation for Bids (IFB NO. 219-186) for the River Road Pavement and Bank Stabilization Project; and declaring an effective date.
13. Consider approval of Resolution 2019-113R, approving amendment No. 2 to the professional consulting services agreement with AECOM Technical Services, Inc. for the provision of Community Development Block Grant Disaster Recovery Housing Case Management to extend the CDBG-DR Case Management Services from May 21, 2019 through December 31, 2019 in the amount of \$58,723.54; authorizing the City Manager or his designee to execute amendment No. 2 on behalf of the City; and declaring an effective date.
14. Consider approval of Resolution 2019-114R, approving the purchase of a water truck for \$89,762.80 from Southwest International Trucks through the BuyBoard Cooperative Contract for use by the Public Services Department, Streets Division; authorizing the City Manager or his designee to execute all appropriate documents to complete this purchase; and declaring an effective date.
15. Consider approval of Resolution 2019-115R, approving the third Change in Service to the agreement with American StructurePoint, Inc. relating to the Sessom Drainage Improvements Project to add engineering design services for additional Storm Drain, Water and Wastewater Pipeline Improvements in the amount of \$146,418.62; authorizing the City Manager or his designee to execute the appropriate documents to implement the change in service; and declaring an effective date.
16. Consider approval of Resolution 2019-116R, approving the first Change in Service to the agreement with Freese and Nichols, Inc. relating to the On-Call Wastewater Review and Analysis agreement by increasing the amount of the agreement by \$40,000; authorizing the City Manager or his designee to execute the appropriate documents to implement the

change in service; and declaring an effective date.

17. Consider approval of Resolution 2019-117R, approving Amendment No. 3 to the Airport Project Participation Agreement between the City and the Texas Department of Transportation initially approved by Resolution 2015-80R and then amended by Resolution 2016-80R which authorized the City's acceptance of a grant from the Texas Department of Transportation for the construction of an 8,050 sq. ft. box hangar at the San Marcos Regional Airport; to increase the estimated project cost from \$816,667 to \$881,200; to approve the City's expenditure of the total project cost in local funds in the estimated amount of \$214,036.70; authorize the City Manager or his designee to execute any documents necessary for the implementation of the hangar development project; and declaring an effective date.
18. Consider approval, by motion, of a 5% pay increase in the amount of \$8,901.36 to City Attorney, Michael Cosentino retroactive to April 1, 2019.
19. Consider approval, by motion, of a 4% pay increase in the amount of \$3,617.54 to City Clerk, Jamie Lee Case retroactive to April 1, 2019.
20. Consider approval, by motion, of a 4% pay increase in the amount of \$10,404.16 to City Manager Bert Lumbreras retroactive to April 1, 2019.
21. Consider approval, by motion, of Change in Service No. 1 with K. Friese and Associates for Engineering Services related to providing design and construction phase services for the CDBG-DR Midtown Drainage Improvements Phase 1 Project in the amount of \$351,399.

PUBLIC HEARINGS

22. Receive a Staff presentation and hold a Public Hearing to receive comments for or against Resolution 2019-118R, approving a two-year extension of the expiration date of the final plat of Northgate Center 1, being approximately 9.93 acres, more or less, located near the intersection of IH-35 and Aquarena Springs Drive; authorizing City Staff to execute such instruments as necessary to effectuate such extension consistent with this resolution; and declaring an effective date; and consider approval of Resolution 2019-118R.

Shannon Mattingly, Director of Development Services, provided a brief update on this extension and the description of the property. She indicated this presentation is almost identical to the following agenda item with the only difference being acreage size.

The applicant is requesting this because they are looking at selling some of their lots to free up income to move forward with their projects. The applicant meets all code and flood requirements. Staff recommends the extension and the expiration period shall be for two years (expiration date of July 24, 2021)

and the development shall meet the same water quality requirements for properties located within the San Marcos River Protection Zone to mitigate for impacts to the water quality zone.

Mayor Hughson opened the Public Hearing at 6:51 p.m.

Those who spoke:

James Wilsford, represents the owner of this property, spoke in favor of this item.

There being no further comments, the Mayor closed the Public Hearing at 6:52 p.m.

A motion was made by Council Member Mihalkanin, seconded by Council Member Derrick, to approve Resolution 2019-118R. The motion carried by the following vote:

For: 7 - Mayor Pro Tem Prewitt, Council Member Gonzales, Council Member Derrick, Mayor Hughson, Council Member Mihalkanin, Council Member Marquez and Council Member Rockeymoore

Against: 0

- 23. Receive a Staff presentation and hold a Public Hearing to receive comments for or against Resolution 2019-119R, approving a two-year extension of the expiration date for the replat of Northgate Center 2, being approximately 1.82 acres, more or less, located near the intersection of IH-35 and Aquarena Springs Drive; authorizing City Staff to execute such instruments as necessary to effectuate such extension consistent with this resolution; and declaring an effective date; and consider approval of Resolution 2019-119R.**

Shannon Mattingly, Director of Development Services, provided an update on the property and the extension being requested.

Mayor Hughson opened the Public Hearing at 6:55 p.m.

Those who spoke:

James Wilsford, represents the owner of this property, spoke in favor of this item.

There being no further comments, the Mayor closed the Public Hearing at 6:56 p.m.

A motion was made by Council Member Mihalkanin, seconded by Mayor Pro Tem Prewitt, to approve Resolution 2019-119R. The motion carried by the following vote:

For: 7 - Mayor Pro Tem Prewitt, Council Member Gonzales, Council Member Derrick, Mayor Hughson, Council Member Mihalkanin, Council Member Marquez and Council Member Rockeymoore

Against: 0

- 24.** Receive a Staff presentation and hold a Public Hearing to receive comments for or against Resolution 2019-120R, approving a request for a Conditional Use Permit (CUP-19-11) to allow a Purpose Built Student Housing Development in the 100 Block of South Guadalupe Street between West San Antonio Street and West MLK Drive; authorizing City Staff to Issue a Conditional Use Permit Consistent with this Resolution; and declaring an effective date; and consider approval of Resolution 2019-120R.

Shannon Mattingly, Director of Planning and Development Services, provided the Council with a brief presentation regarding the request for a Conditional Use Permit (CUP) to allow a Purpose-Built Student Housing Development in the 100 block of South Guadalupe Street between West San Antonio Street and West MLK Drive.

Thomas Rhoades, TKAR Commercial Real Estate Services, a representative of the applicant, provided the Council with a brief presentation.

Mayor Hughson opened the Public hearing at 7:21p.m.

Those who spoke in favor:

Linda Peterson, broker and realtor here in San Marcos, has lived in San Marcos for thirty years. She stated that she feels that it is in everyone's best interest to build student housing in the downtown area. She stated that since 1989 we have been behind in housing. She stated that we are going to be one of the largest universities in the state and you have to keep up with it. She provided that there has been a lot of comments about the area not being very attractive, this project will connect downtown to the new area, and it will bring it all together. She praised the developer for listening to their concerns and asked Council to vote yes on this project. She stated that 7 of the 9 people that are involved in this transaction are at or near retirement.

Dan McReynolds, thanked the Council for listening to everyone, he stated that he grew up here and has recently moved back. He stated that his preferred method is riding bikes and has purchased all of his family bikes. He stated that the City of Waco pushed against student housing in the downtown area. In the

end the City accommodated for density much like we are doing now. He stated that things like historical buildings are finally coming back and they benefit from the investment in the downtown area in Waco. He stated that if you bring people to the area with good incomes, the City will become vibrant.

John Collins, Executive Director of St. Croix Capital Advisors, stated that they represent local property owners and businesses here in San Marcos. He stated that we all know that the University is the backbone of this City. He stated that as property values rise the landlords are having to raise their rents. He stated that you need to bring more tenants to the southside of the square. He asked that the Council approve this project because it does great things for the property owners and business owners and that trickles down to the City as a whole.

Steve Capizo, partner with John Collins, stated they have had the privilege of representing many property owners on the southside of the square. He stated that he has toured many tenants over the years and stated that they do not want to run their business in a “dilapidated side of town”. He stated that by having this project it will revitalize the area and provide the business owners with the revenues they need to thrive. He stated that many of these business owners are having to close their doors. He stated that 311 MLK has been vacant for 3 years due to the lack of activity in that area. He is fully supportive of this project.

Katelyn Dees, stated that she is in support of this development. She stated this project would revitalize this area. It would keep family friendly neighborhoods just that and have the students near the university and downtown. She stated that the tax revenue that would be received on this project seems logical and fiscally responsible route to take. Please consider approval of this project.

Patricia Murphy, owns the lot where the buses were stored and she owned the pawn shop until 2006. She stated there are no historic structures to save in that area and there is one single family home. She stated that this development is good for the town and she is happy to have her property included. She stated that with improvements the city staff has recommended, she encourages Council to approve this project. It will be a win for the City and a win for downtown.

Ken Jenkins, stated God bless anyone that is willing to build something in this area of the City. He stated that the University is looking for a public private partnership for housing and that is more property taken off of the tax rolls, we

then lose tax dollars. We need to think of the safety of the students when they drive into Austin. It is better for them to walk home, then drive home after an evening of drinking. He stated this is retirement for some, please don't be the people that turn this down. He appreciates the consideration by Council.

Rocky Stone, stated that he went Southwest Texas for school. He went to work for the highway patrol shortly after finishing school. He stated that he was looking at the landscape of San Marcos and all the growth. He spoke about the number of students that he had to arrest for Driving While Intoxicated (DWI). He stated that if we had things for these students to do here, then they wouldn't have to drive. Let's keep these students off the highway.

Ted Miska, stated that his business is at the corner of 410 Harvey, and at first, he was concerned about the additional traffic and then he changed his opinion on this project based on the beautiful design of the building. He provided his analysis of the of the dilapidated area and stated how this will change the aesthetics of the square. He in support of this project, it will increase property values and bring a lot to downtown.

Mark Cusak, stated he has lived here since 1978 and spoke about the growth that he has seen. He spoke about the amount of traveling that occurs downtown, if it is dilapidated then people will leave. He provided his statements about the safety that this project would bring to students due to the close proximity to the University. He stated that we have to think about safety. He stated this development will bring more business to the downtown area and spend more money. He doesn't think this is a bad move by the City of San Marcos to approve this type of project. It should be considered.

Lisa Shell Allen, was a student at Southwest Texas State University and she chose to stay after graduation. She is an entrepreneur and public servant. She referred to the City Code regarding the Purpose-Built Student Housing section. She stated the only enforceable part is the use by college students as a primary purpose. Does the City of San Marcos have the man power and resources to review every lease of the San Marcos lofts to determine if the residents are students? She provided that the University doesn't pay property taxes or ask for permission in regards to what they build. She mentioned someone will build on that space. She asked that Council vote for it or at least form a committee or send it back to the Planning and Zoning Commission for further review.

Christian Siera, Developer with Gillbane, continued where Mr. Rhoades left off

by reviewing the steady increase of student enrollment at Texas State University. He provided that Texas State recently put out a Request for Quotation (RFQ) for student housing through a Public Private Partnership. He stated that Texas State leased units at the Local since they did not have enough rooms on campus. He reviewed some data regarding the shortage of beds in the community with the growth of Texas State. There needs to be housing available when students move off campus. He stated there is a 92% occupancy rate overall and 95% downtown and he asks for your support because Purpose Built Student housing is advantageous to students, and if this is not approved Council will be doing a disservice to the students.

Russ Broderick, Gillbane representative, provided a background on the family owned company and stated that they have a very strict underwriting criteria. He stated that they build this to own it long term. He stated they love the market here in San Marcos and hope to stay here. They have a professional management company that will manage this project. He stated that they originally looked at property on N. LBJ. They went and talked to 9 different owners in this area and they were very proactive. He stated that multifamily can go here, but it will be more expensive for students. He expressed his appreciation for the cooperation by the Fire Department and staff.

Lee Porterfield, spoke about Vision San Marcos, and stated that if you drive into town from I-35 you see the growth and progress that are going on here in San Marcos. He stated that progress makes history. He stated there are many members of Council that have worked or been associated with Texas State University. He stated that he is a proud Texas State bobcat and proud San Marcos resident. This is an opportunity for someone to build something great. He stated that he would rather have student housing in the downtown area and not in the neighborhoods. He stated that they could put new businesses downtown and let this happen naturally. This area is zoned for it so please give this some thought and positive attitude.

Andy Greenwood, stated this is a no brainer to vote yes on this project. He stated this is the best way to get the most parking spaces. As of right now, opening a business in the downtown is a kiss of death. There is so much retail and vacant shops in downtown. Vote yes.

Those who spoke in opposition:

Roland Saucedo, stated the presentation had one common word on every page, "concerns". He stated this is the first development to ever come before Council

to have so many recommendations for it to meet criteria. He stated there is nothing in the presentation that is beneficial to the community. He stated his concerns with this development because this development could not be evacuated by the fire department in the event of an emergency. He referenced students jumping from a three-story building at Iconic Village, and he worries as this development will be five stories. Why can't we have affordable and student housing together? He stated that this won't do anything to help the downtown. He then stated that he doesn't have a problem with student, but he has a problem with a five-story building. This project is wrong.

Belinda Galvez, stated that there are too many student housing and apartments and that we don't need any more apartments. Please vote no.

Rusty Canaday, moved here due to the beautiful town that San Marcos is. She stated that we don't need any more student housing in town. She stated that the occupancy is 50%, not the high rate the developers claim. She stated that there should be more housing for families, young adults and people that want to walk and make downtown home. She stated that she is a retiree and that she stated that she used to come downtown more. She stated that the taxes come from retirees and income comes from new people coming in and non-students. She stated that Texas State is building on their property, not private property. She asked the Council if they wanted to be like San Antonio or Austin? San Antonio kept its character over the years. If this can be developed into low income housing, isn't that is what is needed?

Sara Lee Underwood-Myers, stated the she has heard a lot about this project. She stated that she loves our old buildings and our downtown. She is against this project and stated we don't need Driving While Intoxicated (DWI) and if they aren't driving it's called public intoxication.

Ken Smith, 1606 N-IH 35, lives in a mixed-use development in that there are students and people who are retired. He loves downtown and stated that an increase in people in the downtown area is a good idea, but not providing adequate parking is a problem. He provided that the rendering of the building doesn't meet the design standards of the historic downtown. He stated that affordable housing downtown would be wonderful and he would love to live there. He stated he has nothing against the students and that his daughter recently graduated from Texas State. He would not want his daughter walking around when people are driving while intoxicated, and he stated when people are walking around that it is a public intoxication, not a DWI. He thanked Council for allowing him an opportunity to express his opinion.

Lisa Marie Coppoletta, stated that the resident of Victory Gardens were promised a historical resource and neighborhood character study. This development is way out of character. There was an argument in the past that the Woods Apartments would increase tax revenue, but what it did was flood out a neighborhood and destroyed lives. She is concerned because she was unaware there are so many doors that the fire department has to go through in the event of an emergency in these types of student-built housing. She commented on the number of asphalt sealants and the numerous overlays throughout the City that are creating severe allergic reactions by citizens. She provided data from an article written by Robert McClure, called New Studies: Toxic Asphalt Sealants Threaten Kids, Cause Pollution. "These chemicals are killing, sickening and maiming aquatic creatures such as salamanders, minnows and, importantly, bugs at the base of the food chain. the chemicals kill tadpoles, cause tumors on fish, stunt growth of aquatic creatures and reduce the number of species able to live in a waterway. As a result of being washed into waterways by stormwater, these chemicals' concentrations have been rising over the last two decades, even as levels of most contaminants are headed down. The chemicals are getting into the house dust, researchers think, when small bits are eroded off pavement and tracked into nearby homes on people's shoes and pets' paws." The article also stated that U.S. Rep. Lloyd Doggett, has previously filed legislation calling for a nationwide ban on coal tar sealants. Tom Ennis, an Austin city official helped get coal tar sealants banned there, has now launched a campaign to support a nationwide ban. She spoke on Robert's Rules of Orders and stated that the Chair needs to run the meeting and finds it intimidating that the Officer in the room telling people to be quiet instead of the chair maintaining order. She also stated that a statement is never made after a citizen speaks during the citizen comment portion of the meeting. She would like the Mayor to refrain from correcting people and instead have a polite conversation at the end with a neighbor.

Jay Hiebert, stated that he grew up in San Marcos and graduated from Southwest Texas State. After living in Europe, he moved back to San Marcos. He stated that the Comprehensive Master Plan is a good plan. It lays out the parameters for growth. He provided his opinion about why does San Marcos always change the zoning for developers that don't live here. Outside money always trumps local money. He stated this development will be out of character, but it can be saved if Council says no. He claims these developers give incorrect information, why do we tolerate the blatant exploitation of college students. These housing developments are driving up student loans and this is spoke about in an article written by Daniel McGraw, "The College that

Ate a City". Please look at this holistically.

Alex Thompson, stated that she lives in a student housing complex and spoke in opposition of this project due to the fact there are so many student housing options available. She stated that the rent by the bedroom is increasing rents here in San Marcos. A five-story building is not necessary, it is counterintuitive to how the downtown is laid out. Yes, this area of town needs to be revitalized, but not in this way.

Mary Renteria, spoke against this project. We have a lot of traffic, and this will only increase the traffic. She stated they are not thinking of the residents. There are already so many complexes, why do you want to make some more? We are a small city and we need to stay medium sized. She said no to the project.

There being no further comments, the Mayor closed the Public Hearing at 8:18 p.m.

Discussion was held regarding parking and the developer stated that they feel that .75 per bedroom is appropriate for student housing. The developer stated that they would have to stay with what the code states and pay the fee-in-lieu.

A motion was made by Mayor Pro Tem Prewitt, seconded by Council Member Rockeymoore, to postpone Resolution 2019-120R and create a Council committee consisting of Mayor Hughson, Council Member Derrick, and Council Member Marquez to review this project.

The motion carried by the following vote:

For: 7 - Mayor Pro Tem Prewitt, Council Member Gonzales, Council Member Derrick, Mayor Hughson, Council Member Mihalkanin, Council Member Marquez and Council Member Rockeymoore

Against: 0

NON-CONSENT AGENDA

- 25. Consider approval of Resolution 2019-121R, adopting the Community Development Block Grant (CDBG) Action Plan that provides for the allocation of \$680,998.00 CDBG funds for Program Year 2019; authorizing the City Manager or his designee to act as the official representative of the City in matters related to the CDBG program and action plan; and declaring an effective date.**

Aaron Harris, Community Initiatives Program Administrator, provided a brief update on the allocation of funds for the 2019 CDBG Program Year.

A motion was made by Council Member Gonzales, seconded by Mayor Pro Tem Prewitt, to approve Resolution 2019-121R. The motion carried by the following vote:

For: 7 - Mayor Pro Tem Prewitt, Council Member Gonzales, Council Member Derrick, Mayor Hughson, Council Member Mihalkanin, Council Member Marquez and Council Member Rockeymoore

Against: 0

- 26.** Consider approval of Resolution 2019-122R, approving a City Support of Public Events Policy; and declaring an effective date.

MAIN MOTION: a motion was made by Mayor Pro Tem Prewitt, seconded by Council Member Derrick, to approve Resolution 2019-122R.

MOTION TO AMEND: a motion was made by Council Member Derrick, seconded by Mayor Pro Tem Prewitt, to amend the section titled INELIGIBLE ORGANIZATIONS/EVENTS, to include the following:

- Any organization receiving City funds from other departments for the same event

The motion carried by the following vote:

For: 7 - Mayor Pro Tem Prewitt, Council Member Gonzales, Council Member Derrick, Mayor Hughson, Council Member Mihalkanin, Council Member Marquez and Council Member Rockeymoore

Against: 0

MOTION TO AMEND: a motion was made by Mayor Pro Tem Prewitt, seconded by Council Member Derrick, to amend the definition of In-kind donation to include event marketing. The complete definition will now read as follows:

City's staff regular hours, services, event marketing, or resources in return for certain benefits to the city including acknowledgement, recognition, and/or promotional consideration. In-kind contributions from the City do not include the provision of cash funds to, or on behalf of, the applicant.

The motion carried by the following vote:

For: 7 - Mayor Pro Tem Prewitt, Council Member Gonzales, Council Member Derrick, Mayor Hughson, Council Member Mihalkanin, Council Member Marquez and Council Member Rockeymoore

Against: 0

MAIN MOTION AS AMENDED: to approve Resolution 2019-122R, as

amended. The motion carried by the following vote:

For: 7 - Mayor Pro Tem Prewitt, Council Member Gonzales, Council Member Derrick, Mayor Hughson, Council Member Mihalkanin, Council Member Marquez and Council Member Rockeymoore

Against: 0

27. Consider approval, by motion, of the appointment to fill the Animal Welfare Organization position on the Animal Shelter Advisory Committee, and provide direction to staff.

Mayor Hughson nominated Dale Nave to serve as the Animal Welfare Organization Representative on the Animal Shelter Advisory Committee. Following a roll call vote Dale Nave was unanimously approved for appointment.

28. Discuss and consider appointments to fill the vacant positions of one Media Representative and one Health Care Industry Representative on the Census 2020 Complete Count Committee, and provide direction to staff.

Council Member Derrick nominated Ida Miller to serve as a Healthcare Representative and Council Member Rockeymoore nominated Lance Winter to serve as a Media Representative on the Census 2020 Complete Count Committee. Following a roll call vote Ida Miller and Lance Winter were unanimously approved for appointment.

EXECUTIVE SESSION

29. Executive Session in accordance with the following Government Code Sections:
- A. Section § 551.071 - Consultation with Attorney: to receive a staff briefing and deliberate regarding Martindale ETJ matters and Project Big Hat
 - B. Section § 551.087 - Economic Development: to receive a staff briefing and deliberate regarding Project Big Hat

No Executive Session was needed this evening.

RETURN FROM EXECUTIVE SESSION

30. Consider action, by motion, regarding the following Executive Session items held during the Work Session and/or Regular Meeting:
- A. Section § 551.071 - Consultation with Attorney: to receive a staff briefing and deliberate regarding Martindale ETJ matters and Project Big Hat
 - B. Section § 551.087 - Economic Development: to receive a staff briefing and deliberate regarding Project Big Hat

No direction was provided as no Executive Session was held this evening.

VI. Question and Answer Session with Press and Public.

Roland Saucedo, stated there are a lot of controversial issues that come before council. He asked if there is a possibility to revisit the Comprehensive Master Plan? The Mayor stated his question will be considered and may come back at a later date for review.

VII. Adjournment.

A motion was made by Council Member Rockeymoore, seconded by Council Member Derrick, to adjourn the Regular Meeting of the San Marcos Council at 9:35 p.m. The motion carried by the following vote:

For: 7 - Mayor Pro Tem Prewitt, Council Member Gonzales, Council Member Derrick, Mayor Hughson, Council Member Mihalkanin, Council Member Marquez and Council Member Rockeymoore

Against: 0

Jamie Lee Case, TRMC, City Clerk

Jane Hughson, Mayor

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